

## EOS statement to the ABC 10/12/18

1. EOS does not manufacture weapons. We produce technology to allow existing weapons to be applied more accurately and effectively. EOS products are high-end systems designed to allow our forces to engage numerically superior enemy forces by using EOS technology to fight under high manoeuvre with precision engagement.
2. EOS companies in the USA and Australia are involved in production, so all military sales require an export license from **both** USA and AUS, making EOS products amongst the most highly-regulated products in the defence market. EOS relies on extremely strong export license and anti-corruption processes operating in both the USA and Australia. Those processes, formulated and updated over decades by democratic governments in like-minded states, align EOS policy with national security and national values.
3. Less than 10% of all countries today could qualify for access to EOS defence products. Our customer list is even shorter than this. EOS only sells to countries which are:
  - a. In a formal alliance with Australia or the US; or
  - b. Are fighting, or have fought, alongside Australian or US forces.Exceptions can be made by the two licensing countries on a case-by-case basis. No exceptions have been granted in recent years.
4. The international sale restrictions listed above apply to the sale referenced in the EOS announcement in January 2018.
5. Over 90% of EOS defence activity in Australia is for export of items that are used by the ADF. Foreign sales significantly reduce the cost of development, acquisition and support for Australia for defence technology. This is the principal reason why Australian industry participates in international sales.
6. EOS does not identify customers without their approval and even our ability to comment where we are not engaged can be limited by a desire to not help strategic competitors of Australia or the USA collect intelligence on allied deployments.
7. Occasionally a customer will seek publicity on a contract with EOS, where the acquisition may have a deterrent effect and reduce the possibility of conflict.
8. EOS equipment has no role in Yemen. EOS has not delivered any defence equipment to UAE, and no equipment produced by EOS has been deployed to Yemen by any other recipient of EOS defence items. EOS is not presently the recipient of export licenses which would allow EOS to export Defence equipment to UAE. However EOS has no reason to believe that UAE would not presently qualify as a recipient for export licenses from any country, including the US and Australia.